## TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

April 23, 2001 LB 536

\$50 million of taxpayers money since 1989 to do this. estimated liability for future sites is \$270 million, so there's still a need there. Again there will be money there. What this amendment does is simply take 20 percent of that and move it into what I believe is also critical to the people of Nebraska, important to the people of Nebraska, and that's incentive to ethanol and the production of ethanol through \$2 million or 20 percent of this fund. So I know there's going to be some controversy and there will probably be an argument that this...what this will do is stop the cleanup. I disagree; there's still going to be \$8 million or more available for the cleanup, which was good enough in 1997. So that will still be available. And it does take out the gluten tax. And I guess a word on that and why I included that in the amendment. Basically, I'm not comfortable with the policy of "incenting" on one end and taxing on the other. As this grain moves through the process, we're "incenting" the ethanol producers with the incentive money, like LB 536, with the corn checkoff money. We're "incenting" ethanol, we're subsidizing ethanol, there's no question about it. Then to tax the by-product of ethanol on the back end, to me, is not necessarily something we need to do, it doesn't make sense. If we're going to tax the by-product, instead of doing that let's reduce the incentives slightly and just avoid the ... all the paperwork shuffling that's going on in the middle. It's...it's the old adage, robbing Peter to pay Paul, that's essentially what we're doing here. So with that, I'd be happy to talk about my reasoning for the amendment in further detail, if the members wish. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Bruning. You've heard the opening on AM1553 offered by Senator Bruning to the committee amendments to LB 536. Open for discussion. Senators wishing to speak to the amendment Senator Dierks, followed by Senator Schrock, Chambers, and Raikes. Senator Dierks.

SENATOR DIERKS: Thank you, Mr. President. Members of the Legislature, I appreciate the effort that Senator Bruning is making. I understand where he's coming from. I wish I could support the amendment. I can't do that. One of the arguments that he makes is that we are "incenting" on the front end, yet, taxing on the back end. The...we are "incenting" the ethanol